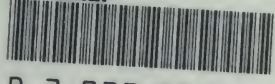


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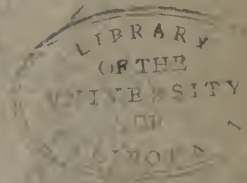
THE HONOURABLE THE POSTMASTER GENERAL

OF THE

METHODS ADOPTED IN CANADA IN THE CARRYING OUT OF GOVERNMENT
CLOTHING CONTRACTS

BY

W. L. MACKENZIE KING, M.A., LL.B.



OTTAWA
GOVERNMENT PRINTING BUREAU
1900

REPORT

Canada Post office
TO

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RETURN

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To an ORDER of the HOUSE OF COMMONS, dated the 18th April, 1898, for a copy of the report of W. L. Mackenzie King, respecting the manufacture of militia clothing in Canada.

By order,

R. W. SCOTT,

Secretary of State.

8,000-11-9-'00.



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REPORT TO THE HON. THE POSTMASTER GENERAL
ON THE METHODS ADOPTED IN CANADA IN
THE CARRYING OUT OF THE GOV-
ERNMENT CLOTHING CON-
TRACTS.

To the Hon. WILLIAM MULOCK, M.P.,
Postmaster General, etc., Ottawa.

SIR,—In accordance with the instructions contained in your communication to me dated 21st September, 1897, I have now the honour to submit a report of the results of my investigations into the methods heretofore adopted in Canada in the carrying out of Government clothing contracts. This investigation was first entered upon during the summer of 1897, in connection with certain subjects of economic study in which I was then engaged, but the inquiry was not persued in detail until the receipt of your communication just referred to. In this communication, as you may remember, you stated, that it having been intimated to you that the 'sweating system,' with other objectionable conditions, had accompanied for many years the manufacture of uniforms for post office officials, the militia, the mounted police, &c., you were desirous of ascertaining to what extent, if any, such information was well founded, with a view to considering whether the public interest did not demand that future contracts should contain stipulations securing the performance of such contracts in a manner free from all such objectionable features. In compliance with your request for a report on the whole matter, and acting on the directions contained in your communication, I afterwards extended the scope of my investigation so as to embrace the cities of Montreal, Toronto and Hamilton, in which most of the Government contracts, during the past ten years, have been executed. I visited each of those cities personally and made careful inquiries as to the actual methods by which the various contracts had been carried out, the places where and

the conditions under which the work was done, the persons employed and their mode of employment, the wages and the prices paid, &c., &c. For this purpose I sought and obtained interviews with the sub-contractors and wage-earners, and procured from them the facts and information generally which are embodied in this report and which, I have every reason to believe, are perfectly trustworthy.

As you can well understand, the conduct of such an investigation was attended with considerable difficulty. Apart from the time and trouble involved in discovering reliable sources of information, the information itself, when imparted, had to be scrutinized with care, and verified, as far as possible, in every material particular. Not having authority to compel testimony or statements of any kind, I was necessarily dependent upon voluntary evidence, which was given, in many cases, with great reluctance. The facts thus disclosed are none the less valuable, and may possibly be regarded as giving additional significance and weight to the conclusions arrived at. For obvious reasons, I did not feel at liberty to interrogate any of the Government contractors. As the result proved, this was scarcely necessary, as in no instance did I find that the clothing, which was the subject of contract, had been made up entirely upon the premises of the firms which were awarded the work. In every instance the system of sub-contracting prevailed.

This system of sub-contracting took one of three forms : (a.) The cloth, already cut, was given out by the Government contractor to the sub-contractor who, in return, employed hands to work in his shop, which was unconnected in any way with his residence ; or (b) the cloth so cut was given out by the Government contractor to a sub-contractor who, in return, employed hands to work in his own residence, part of which was utilized as the workshop ; or (c) the cloth so cut was given out by the Government contractor to individuals to be made up by them in their homes, and in the making up of which only members of the family were, as a rule, engaged. All three methods were em-

ployed by most of the firms. In the last two cases (b and c) it was difficult to discover the homes of the persons who had been engaged in the work. This was more particularly the case in Montreal, where many of the garments were made up in the French Canadian villages, some of which are many miles distant from the city. In the first case (a) it was no less difficult to find the sub-contractors. The old firms no longer having the Government contracts, the work of the sub-contractors had been discontinued, and some of the sub-contractors had left the city for other parts of the country. Moreover, as all the contracts investigated were let in past years, it was not easy to seek out the employees of the sub-contractors, namely, the men, women or girls who had actually executed the work required on the clothing. I was able, nevertheless, to meet most of the sub-contractors, to see personally a large number of their employees, to visit a good many of the homes in which clothing under the Government contracts had been made, and to ascertain from the men, women and children engaged in the work the prices paid for the garments which they made, or the wages received for the services rendered. From some of the sub-contractors I was able to procure but little information ; from others I received practically all that was desired. The same is true of their employees, and of the men and women who worked in their own homes. In some cases I was shown books, receipts and vouchers corroborative of individual statements. Of the evidence gathered in this way I have, in this report, discarded everything which was at all doubtful, and have confined myself only to statements which were either corroborated or verified from independent sources. This must be my excuse, if any be necessary, for the brevity of the report, and for its lack of completeness in some matters of detail. I present only such facts as can be established, if need be, by the testimony of the parties concerned.

You will observe that the names of those who have furnished information are omitted. There are obvious reasons why the identity of the informants should not be publicly disclosed. The

fear of instant dismissal from employment was given by many as the sole reason for their unwillingness to furnish the facts, and the same or a similar feeling undoubtedly accounted for the reluctance shown by the others. The dread of their employers, entertained by men and women alike, was in many instances distressing. It was only, in the majority of cases, upon the distinct assurance that the information given would not be used to the prejudice of the parties giving it, but had as its object the bettering of their industrial condition, that the information was obtained. Feeling that faith must be kept with all of my informants I have, as you will notice, suppressed the names. But in order that the Government may be satisfied that the statements upon which the report is based are authentic, I submit a private list of the names and addresses of my informants, consecutively numbered, so that by referring, in any particular case, to the number indicated, the sources of information, and the authenticity of the statements made, may be clearly traced. This list is, of course, confidential, and is for the information of the Government only.

As my inquiry was particularly directed towards ascertaining whether or not the 'sweating system,' with other objectionable conditions, had accompanied the manufacture of Government clothing, I may here state what I believe to be the correct meaning of that term, in order that it may be clear that I do not place an interpretation of my own on the facts in question. As I understand it, the term 'sweating system' is specifically used to describe a condition of labour in which a maximum amount of work, in a given time, is performed for a minimum wage, and, it may be added, as a general thing, under conditions in which the ordinary rules of health and comfort are disregarded. It is almost invariably associated with contract work, and it is intensified by sub-contracting in shops conducted in homes. Whether these conditions have existed in the manufacture of Government clothing will appear from the facts and circumstances connected with, or incident to, the performance of the contracts, which I shall now present in detail.

I.—THE METHODS EMPLOYED.

For a period of over ten years past, and, in fact, until within a year or so ago, certain firms in Montreal were awarded large contracts for the manufacture of Government clothing for the militia and mounted police. Similar contracts were let to a firm in Toronto, and also to a firm in Hamilton which had, in addition, a large contract for the supply of clothing for the post office letter carriers. With respect to all these contracts by the firms in question, the system of sub-contracting, as already described, was resorted to. In no case did it appear that the Government contractor had the clothing manufactured on his own premises, or even in such a way as to be subject to his immediate supervision. With the exception of the cutting of the cloth, which is done in most cases almost entirely by machinery, and the making of the button holes and, in some cases, the putting on of the buttons, in both of which processes machines are also used, the whole work of manufacture was carried on in places not under the control or supervision of the Government contractors. In the making of practically all of the tunics of the militia and mounted police, the work was done in shops owned by sub-contractors, who had agreed with the Government contractor to make up the goods at a specific price or sum. Practically all of the riding breeches for the artillery, cavalry and mounted infantry were made up in the same way. The trousers, however, some of the tunics, and many of the great coats, in the making of which less skill is required, were let out direct to women in their homes to be made up at so much apiece. In the case of the clothing of the post office letter carriers, the overcoats and tunics were made in his shop by a sub-contractor, while the trousers were made by women in their own homes. Wherever a sub-contractor was given the work he, in turn, employed a number of hands to work for him. A few of these—very few, in fact—were men ; by far

the largest number were women and girls. In several instances the sub-contractor was a woman. Wherever the work was given out to persons in their homes it was generally women who were employed. In some cases the different members of the family assisted in the sewing, and in a great many cases, one, two, three or more strangers, usually young women or girls, were brought from the neighbourhood and paid a small sum for their services by the week or piece. It was no uncommon thing for young women and boys to give their services gratis for a certain time to the sub-contractor, either in the home or the shop, and thus serve a species of apprenticeship on the supposed condition of learning the trade. Others began the work, or continued it, at the rate of a few cents a day. There were instances also where, after serving in this way for a certain period, the workers were discharged at the expiration of their term of so-called apprenticeship. So far, therefore, as the general method adopted in the manufacture of Government clothing are concerned, it would appear that they were carried out almost entirely on the sub-contracting plan, that practically none of the clothing was made upon the premises of the Government contractor, that the latter exercised no immediate supervision over the work, and that, in fact, by far the greatest part of the Government clothing was made by women and girls in their homes or in the shops as the hired hands of sub-contractors.

II.—WAGES AND PRICES.

(A.)—THE CONTRACTS IN MONTREAL.

During the past ten years contracts on Government clothing were let to four different firms in Montreal. Two of these contracts were comparatively small, but the other two were among the largest awarded by the Government. They comprised practically all the kinds of uniform clothing required for the militia and mounted police. In no instance that I could discover were the garments made up entirely on the premises of the Government contractors. The heavy cavalry great coats, and some of the military tunics and riding breeches were made by sub-contractors working in their shops. Many of the great coats, for example, those for the infantry, and some of the tunics and trousers, were made up by women in their homes, partly in the city itself, but principally in the neighbourig villages. The making up of the cavalry great coats was let by the firm which received the contract to a sub-contractor who agreed to make them up for one dollar each. He received the cloth already cut and also the thread, but was required to do all the sewing and pressing in the manufacture of the coat, including the work on the linings, pockets, a large cape, buttons, buckles, hooks and eyes, &c. The making of the button holes was alone excepted, this being done by machines at less than one cent apiece on the premises of the original contractors. This sub-contractor had his own shop in the city, and, while working on these coats, usually employed from eighteen to twenty hands. Seven or eight of these were men, and the rest young women and girls. As was invariably the case, the men received from two to four times the remuneration of the women, although it was generally admitted that the work performed could not have been done any better by the men, while in some cases it was thought that it was done decidedly better by the women. In most of the shops a few men had been em-

ployed to do the pressing, which is heavy work, but in some instances women had been engaged as pressers also, occasionally men had operated the sewing machines, but this work, as a general thing, had been performed by women. It was only in exceptional cases that men had been employed to do the felling, *i.e.*, the laying of a seam or hem, and sewing it down level with the cloth. In the course of interviews with a large number of the hands who had worked in the shop in question, I learned that the best paid workmen had received twelve dollars a week, and sometimes a little more ; the other men had received nine and ten dollars, and in some cases seven and eight dollars a week. This statement of the wages given by the employees corresponded, for the most part, with the statement given by the sub-contractor himself, except that the latter gave the highest figures he had ever paid which, as a rule, were above his customary wage.

These wages, it should be mentioned, were the best the men had ever received for any considerable length of time, many of them having commenced at three dollars a week and received a gradual increase as time went on. The wages of the women were much lower. According to the sub-contractor's statement, three dollars a week was considered a good wage for a woman, and this was what he himself had paid the majority of his female hands. The best paid woman, he said, had received five dollars and thirty cents a week, the lowest two dollars a week ; and it was possible, he thought, to secure working girls at one dollar and fifty cents a week. I was informed by the young woman who was said to have been paid the highest wage that, for the first year, she had received three dollars, for the second year three dollars and fifty cents, and for the third year four dollars a week, and that only in her fourth year of service for this sub-contractor had she received four dollars and fifty cents a week. This was the highest wage that had ever been paid her while in his employ. While two or three of the best paid women had received four dollars a week, some had been paid three dollars, others two dollars and fifty cents, other two dollars and twenty-five cents,

and a number two dollars a week. For this wage men and women alike were required to work sixty hours a week, that is, from seven o'clock in the morning till twelve noon, and from one till six o'clock in the afternoon for six days of the week. The men being Jews did not work on Saturday, but worked on Sundays. The women worked on Saturdays but not on Sundays. There was no half-holiday on Saturday. In the shop, as well as in others, it was not an uncommon thing for the hands to be changed occasionally, so that in this way it was possible to retain some of the workers at a low rate of wages all the time. The ages of the women employed in this shop ranged as nearly as I could ascertain, from eighteen to twenty-five years, one or two being older than twenty-five.

The riding breeches for the cavalry, artillery and mounted infantry were made by sub-contractors who converted part of their homes into workshops and employed hands to assist in the making. One sub-contractor who appears to have performed a large part of the whole work turned out, was paid, for the making of the riding breeches, fifty cents a pair. He had the cloth delivered to him already cut, and was supplied with thread, but the entire work, with the exception of the button-hole making, he was obliged to do himself. He had also to send for the cloth and deliver the manufactured goods at his own expense. During the busy season he employed about five men and nineteen women. The men worked six days of the week, from seven o'clock in the morning till six in the evening, with an intermission of an hour at noon. The best paid hands received six dollars a week, the others five dollars. The wages of the women were much less. According to the sub-contractor's statement, some of the women and girls received one dollar and twenty-five cents, others two dollars, and the rest three dollars a week. They worked by the piece, and if they cared to work overtime they were allowed to do so and thereby increase their earnings. A number of them, particularly in the summer months, were accustomed to come to the shop at six o'clock in the morning and work there till

after nine o'clock at night. Occasionally, they brought with them food for both lunch and supper and ate it in the shop. Others, instead of working overtime in the shop, took the different materials with them to their homes, and worked on them there during the evenings. The most that the best paid hands appear to have made by thus working overtime was about five dollars a week. A good many of the females employed in the shop were under twenty years of age ; some were scarcely fifteen, while others were thirty, or thereabouts.

Another sub-contractor who made riding breeches was a woman, who wrought in her own home, with the assistance of her daughter, and who, during the busy season, employed three girls, all under twenty years of age. The girls received for the first three months, one dollar and fifty cents each a week, and two dollars a week afterwards. They worked six days of the week, and if they quit an hour earlier on Saturdays, were obliged to put in extra time on other days. The mother and daughter worked frequently till eleven o'clock at night. No men were employed.

Another female sub-contractor, while working for a time on riding breeches, for the making of which she was paid fifty cents a pair, employed about eighteen women and girls. They wrought from seven o'clock in the morning till six in the evening for six days in the week, with an hour off in the middle of the day, and were paid from two to four dollars each a week. Three dollars a week she considered a good wage. No men were employed.

The artillery and infantry great coats were made up largely by women in their homes. Many of the workers lived in villages at a considerable distance from Montreal. In some instances the work was taken in by farmers' wives who had little to do at certain seasons ; in other cases the women appear to have continued to work all the year round. In some instances only the members of the family assisted in making up the garments, but not unfrequently women or girls were employed at a wage of one or two dollars a week. It was not unusual for them to give

their services for a period of time gratis in order that they might learn the trade. In one village which I visited, over fifteen miles distant from Montreal, I learned that nearly every woman in the place was making up clothing for the city firms. I went to the homes of some who had worked on military clothes, and found that they had made up infantry and artillery great coats at forty cents each. For some of the coats the rate was higher, and for others lower. One of the women told me that for military great coats without capes, she had been paid only thirty cents each. For the great coats with capes, and lined throughout with white flannel, she had received forty cents each. With the assistance of her son, and by both of them working steadily from half-past seven in the morning till midnight, or even later, for six days of the week, they were able to complete twenty great coats. That is to say, four dollars a week represented the gross earnings of this woman who wrought daily over fifteen hours out of twenty-four. What her net earnings were may be estimated by deducting her expenses for rent, fuel, light, &c. I mention this case in particular, because I have reason to believe it to be typical of many such cases in the villages in the neighbourhood of Montreal.

Another woman who made military great coats at forty cents each, had employed four girls to assist her. She usually paid them twenty-five cents a day if they were first-class sewers. In other words, under this system of sub-contracting, heavy Government clothing was actually made up at two and a half cents an hour. The woman herself was in the habit of working till midnight and, during the summer months, commenced her tasks as early as five o'clock in the morning. It was only, she said, when she had hired help that her gross earnings, even when thus working overtime, exceeded one dollar a day.

Another female sub-contractor, who had also received forty cents each for military great coats with capes, had employed five girls, some of whom were paid two dollars and others one dollar each a week, which means that the one dollar a week workers wrought at the rate of one and two-thirds cents an hour. There

were also a number of cases in which girls had given their services gratis. In one of the houses visited, which was in a filthy condition, I met a woman, the mistress of the house, who had made up serge tunics for another Montreal firm at sixty cents each. At the time I saw her she was making civilian coats for the same firm at thirty cents each, and had as her assistants two young women, neither of whom was paid anything, for the reason, it was said, that each was learning the trade.

With respect to the military trousers, I learned that practically all of them were let out by the firm which had the contract to men and women in their homes. It was a common practice, it seems, for the contracting firm to cut the cloth by machine on their own premises, and then send it in bundles to individuals to be made up in their homes in the city, and in different parts of the country. As soon as the articles were finished they were called for, and twenty cents a pair paid for the work done, which included the sewing, fitting in of the stripes, pressing, &c. In some cases thirty-five cents a pair had been received for these services.

(B.)—THE CONTRACTS IN TORONTO.

Only one firm in Toronto was awarded a contract for military clothing. A small portion of the clothing was made on the premises of the contracting firm; another portion was also made on the firm's premises, but in a shop let to a sub-contractor, while the balance was made by a second sub-contractor. The former sub-contractor agreed with the Government contractor to make up the cavalry riding breeches at sixty-five cents a pair. He employed three men at eleven, ten at eight dollars a week respectively, and about sixteen women and girls at from two dollars and fifty cents to four dollars a week. Of the women and girls, about one-third were paid less than three dollars a week, the majority about three dollars, and two or three other hands as high as four dollars a week. Their ages varied from fifteen to twenty-three years, or thereabouts. The second sub-contractor

made great coats for the artillery, with detachable capes, at one dollar each, and infantry great coats at ninety cents each. He also made up serge tunics for the mounted police, with lining, at eighty cents each ; without lining, at fifty-five cents each. He had in his employ seven men and thirty women and girls. The average wage paid the men was about ten dollars each a week, and that paid the women and girls from three to five dollars each a week. The women did not begin work till half-past seven in the morning, and all hands worked only half a day on Saturdays.

(C.)—THE CONTRACTS IN HAMILTON.

In Hamilton, large Government contracts were let to one firm. In no case were the clothes manufactured on the premises of the Government contractors ; all the work, so far as I was able to discover, was given out to two sub-contractors and to women who worked in their homes. One sub-contractor made the dark cloth tunics for the rifles and artillery, and also for the Hussars. He was paid for the making of the artillery tunics eighty-five cents each, for the rifle tunics eighty cents, for the serge tunics sixty cents, and for the Hussar tunics one dollar and seventy-five cents, each. I understood that latterly the prices were cut 10 per cent below these amounts. This sub-contractor employed between twenty-five and thirty hands. Three of these were men and the rest women and girls. The best paid male employee received from eleven to twelve dollars each a week, and the other male hands six to seven dollars each a week. The weekly wages of the women varied from two to six dollars. Three of the best paid female operators received six dollars each a week, four or five from four dollars and fifty cents to five dollars, three or four four dollars, and the rest from two to four dollars each a week.

The other sub-contractor made the red military tunics, the riding breeches and the overcoats and tunics of the post office letter carriers. For the military tunics he received eighty cents each ; for the cavalry riding breeches, sixty-five cents a pair : and

for the artillery riding breeches, seventy-five cents a pair. For the overcoats for the letter carriers, all of which were lined, he was paid one dollar and ten cents each, and for the letter carriers tunics, ninety cents each. This sub-contractor employed two men pressers and a boy, besides a large number of women and girls. One of the pressers received fifteen dollars a week, the other considerably less. The wages of the women and girls were much the same as those paid by the other sub-contractor. The employees in these shops worked only half a day on Saturdays. The sub-contractors, both in Toronto and Hamilton, had to supply the linen and cotton (but not the silk) thread required for the making up of the goods. The button-holes were made by machine on the premises of the Government contractors. The cavalry, artillery and infantry trousers were given out by the Government contractors to women to make them up in their homes. The cavalry trousers were made up at fifty and sixty cents a pair, the artillery trousers at fifty cents a pair, and the infantry trousers at 33 cents a pair. The trousers for the post office letter carriers were made up in the same way at forty-three cents a pair.

The button-holes, in all cases, were put in by machine on the premises of the Government contractors, where also the cloth was cut. The buttons of some of the trousers were put on by machine. I learned, on reliable authority, that the cost of making button-holes and the putting on of the buttons, when done by machine, was at most a mere trifle. The button-holes in trousers can be made at the rate of about ten cents a hundred. In the case of overcoats, in which the button-holes are somewhat larger, the cost is greater; but in no estimate which I was able to obtain in any of the three cities, did I find that the cost exceeded seventy-five cents a hundred, and this estimate, I have reason to believe, is excessive. The putting on of the trouser buttons by machine, I found to be even less. The machine is worked by a boy, and it is very doubtful whether the cost of putting on all the buttons required for a pair of trousers would exceed half a cent.

Wherever the women worked on trousers in their homes they were required to send for and deliver their bundles. In a good many cases a carter was employed who, for ten cents, delivered a bundle which usually contained the cut cloth for four pair of trousers. Twenty-four pairs were, as a rule, delivered for fifteen cents, and thirty-two pairs for twenty-five cents. This item of expense had to be borne by the women themselves. They were obliged to supply their own cotton and linen (but not silk) thread, which was purchased in every case that I met with, from the Government contractor. The estimates given by the women of the quantity of thread actually used in the making of a pair of trousers varied so materially that it would scarce be fair to mention any. The cost, however, it may be said, was a substantial fraction of the gross earnings received. The women occasionally employed one or more women or girls to work with them in their homes, the prices paid for the services thus rendered being usually very low. This practice, however, did not prevail to anything like the same extent as in Montreal ; but the same long hours, from early morning till late at night, were common to many of the homes visited, both in Hamilton and Montreal. It was pretty generally conceded that, except by thus working overtime, or by the profits made by the aid of hired help, there was very little to be earned by a week's work.

III.—SALIENT FEATURES OF THE CASE.

Having presented the facts disclosed in the three industrial centres in which my investigations extended, it may be of interest to notice the prominent features of the situation in so far as they are shown by the hours of labour, and the wages and prices paid the different classes of employees. It is in these two features, separate or combined, that the sweating system, if prevalent at all, is most likely to be exhibited. The real test of the system, apart from other elements in it which aggravate the evil, is to be found in the actual remuneration of the persons engaged in the particular work, and in the time spent upon it.

Keeping in mind the three modes of sub-contracting under which the Government contracts were actually carried out, it will be observed that the third mode, namely, that of letting out work to individuals to be preformed in their homes without the aid of hired help, was common both to Montreal and Hamilton. In the former city it was adopted with respect to some of the great coats and tunics, and in both cities with respect to the military trousers. There was this difference, however, that in Montreal the prices paid by the Government contractors to these home-workers seem to have been invariably lower than the prices paid in Hamilton. But, in both cities, many of the women appear to have been obliged to work long hours in order to procure a bare subsistence. In Montreal there is no doubt, judging by the prices paid to many of the women in their homes, that it would have been impossible for them to live on the earnings of sixty hours of work in a week, and that it was only by their receiving assistance in the work assigned to them or through the means furnished by other members of their families, that they were able to live at all. Of course, it is not generally supposed by those who employ this class of people, that the latter are dependent

upon their work alone for a livelihood. Many of them, it is said, took the work only for the purpose of supplementing the common income, derived in a variety of ways by the family. While this is true in many cases, the fact remains that the price which has been paid to many of those employed in their homes, on Government clothing, was in itself clearly insufficient to constitute a living wage. Nor does it alter the fact already stated, that many of the women were often compelled to toil fifteen hours a day, or even longer, on Government work in order to gain a living.

With respect to the second mode of sub-contracting, namely, that in which part of the home was converted in a workshop—which appears to have been the conditions under which most of the riding breeches were made in Montreal, and some of the military trousers both in Montreal and Hamilton, the amounts earned by these persons, usually girls and young women, who were employed by the sub-contractors, were, in almost every case, exceedingly low. In Montreal, as we have seen, a wage of from one to two dollars a week was not uncommon to women and girls who worked in a shop forming part of a sub-contractor's home, while some even contributed part of their services for no return in money. The fact also appears that when young women were employed on peace work, it was only by working for many hours overtime that they were able to earn five dollars in any one week. As with but few exceptions all the hands employed in these home-shops were women or girls, it would seem not unfair to conclude that very few, and in some shops none, received a sufficient wage to enable them to subsist, had they been wholly dependent on this species of work for a living.

As to the first mode of sub-contracting, namely, that in which the sub-contractor had his shop elsewhere than in his home—which was the method adopted in all three cities in the manufacture of great coats and tunics and, in Montreal and Toronto, of riding breeches also—the wages paid those actually engaged in the work seem to have varied slightly, being lowest in Mont-

real, a little higher, as a rule, in Toronto, and still higher in Hamilton. Nevertheless, the highest wage paid to the most skilful female workers in Hamilton appears rarely to have exceeded six dollars a week, while four dollars a week seems to have been regarded as a good wage for women. In Toronto the weekly return might fairly be put down at from three dollars to three dollars and fifty cents, and in Montreal at three dollars. The wages earned by the men were in much the same porportion. Where the work was thus carried on in separate shops the hours of labour were confined, more or less strictly, to those prescribed by the provincial Factory Acts.

IV.—PROFITS.

The profits received by contractors is a subject which naturally associates itself with that of the wages received by those who work for hire. In contract work generally, and particularly where the system of sub-contracting prevails, the profits of the contractors, so far as each is individually concerned, may be said to depend almost entirely on the amount which they have to pay to those in their employ. The other factors which help to determine the situation, namely, the price to be received for the finished articles, the cost of the raw material, the fixed capital invested in the manufacture, the risks, &c., are more or less constant, but wages, the increase or diminution of which means a larger or smaller outlay on the part of the contractor, are a vital element in determining the profits which the latter shall receive. In this we find the obvious explanation of the low rate of wage generally prevalent wherever the sub-contracting system exists, and a no less obvious explanation of the all but universal employment of female, to the exclusion of male, labour. The time has not yet arrived, at least in the clothing trade, when a like service commands a like remuneration irrespective of the sex of the person who preforms it. The reward for female labour is still greatly at a discount as compared with that of the opposite sex. It must also be observed that the competition between the sub-contractors, which must exist where the sub-contracting is resorted to, tends, in the first instance, to limit the margin of profits they may, in any event, be able to obtain. To the extent to which this margin is limited, wages are likely to suffer a greater or less depression.

In the case of these Government contracts, if the contractor who receives a stipulated price for the finished article is able to sub-let the great part of the work of manufacture at a fixed sum, his profits become calculable almost to a certainty. He is re-

lieved of further responsibility in respect of superintendence, while the wages paid to those employed by the sub-contractor he is pleased to regard as beyond his control, and as a matter with which he has no concern whatever. Thus it happens that the persons who actually perform the work are left at the mercy of the sub-contractor, who, it must be remembered, has also his profits to make and who, having regard to the amount of his gains, seeks to depress wages to the lowest possible point, the wages being the one variable factor upon which his profits depend. The price of the manufactured article is already stipulated, in the case of the sub-contractor, in the same manner as it was in that of the Government contractor, and the difference between this price and his necessary outlay, of which wages constitute by far the most important part, is his reward. Wherever the sub-contracting system prevails, two distinct profits have first to be realized above what goes to those who do most of the work of manufacture, namely, (1) the sub-contractor must make a profit out of the work of his employees, and (2) the Government contractor must make a profit out of the sub-contractor. When the work is let out directly to women in their homes, it is certain that the price paid to them is less than what would have been paid to a sub-contractor who employs his own hands, otherwise the latter method would be adopted. In these cases the Government contractor secures the two profits for himself.

It would be impossible, without a more extensive and minute inquiry than I was able to make, to state accurately to what extent the competition between sub-contractors and the profits received by them were the cause of the low prices and wages paid. That they were important causes must appear quite evident. One basis of calculation as to the latter that was given by a sub-contractor who employed a number of persons, and who had been in the business for several years, was this: He calculated that his net profits should never fall below what he paid out in wages to his hands. All other expenses of the shop hav-

ing been met, there should remain to himself a balance equivalent at least to that which he had expended on wages. This was the minimum amount, and his main object, of course, was to keep above it. Having been a sub-contractor for fifteen years, he could not remember a single season when he had cleared less than forty dollars a week, and a sum varying from sixty to eighty dollars might be taken as a fair weekly average of his gains. He had often, he said, cleared over one hundred dollars a week. His employees were nearly all women because they were cheaper than men and, in some cases, were able to perform better work.

The profits that were realized by the Government contractors may be obtained, with some degree of certainty, by referring to the prices paid by the Government for the articles in question, and by comparing these with the prices paid by the Government contractors to those with whom they sub-contracted for the work of manufacture. This, however, opens a field of investigation almost as extensive as that pertaining to wages, and it was with the latter alone that I was primarily concerned.

V.—SANITARY CONDITIONS AND INSPECTION.

Of scarcely less importance to the wage-earners than the pecuniary return for their labour are the environments in which it has to be performed. The effects produced on the people by the occupations in which they are engaged are of almost equal moment to the wage-earners and the state alike. In the case of a commodity such as clothing, or any other article consumed in large quantities, the consequence to the public of the commodity being manufactured under conditions helpful or hurtful to the public itself can hardly be over-estimated. The recent investigation, as well as inquiries instituted in other crowded centres of population, have led me to believe that the truth of these all but self-evident propositions cannot be too fully realized or studied too carefully in detail. I have been painfully impressed with the fact that the injustice which has been suffered by individuals, and the risks which the public itself ran during past years on account of the methods which have been permitted to exist in the manufacture of Government clothing are two of the most alarming and distressing features of the whole contract system.

Where a contract was sub-let to a contractor who had his shop in a building separate and distinct from his home, there was at least the possibility of inspection by the factory or workshop inspector ; there was also the probability that the hours of labour prescribed by law, and other regulations as to sanitation and the like would be observed ; but beyond this the individual worker received little or no protection. As a matter of fact, some of the shops, which I visited were in anything but a proper sanitary condition and that they were any better in past years is highly improbable. The atmosphere in which the occupants lived and worked was frequently foul and noisome, and statements were repeatedly made by the employees to the effect that their health had suffered in consequence. A large number of hands were, as

a rule, gathered together in small ill-ventilated apartments, and this during cold seasons, when the windows were kept closed and gas irons were used the whole day long, could hardly fail to be detrimental to those who were obliged to submit to this sort of confinement. The factory inspectors whom I consulted freely admitted that it was next to impossible for them to secure a proper compliance with the law and that, to their certain knowledge, there were shops which were not complying with it. One of these officials informed me that he had visited a certain shop and was glad to escape from it, so vitiated was the atmosphere ; and when asked whether he had effected any change in its conditions, he replied that he was all but powerless to do so. It must not be supposed that all inspection was carried on in this way. I do not believe it was ; at the same time, I have every reason for stating confidently that the workshops of sub-contractors, being as numerous as they are, received a scant degree of inspection, that some of them escaped inspection altogether, and that others, although to all appearances complying with the law, were, in fact, disregarding it with perfect impunity. There were cases, of course, in which there was a rough conformity with the statutes of the land ; and wherever this rude respect for the law was preserved, the situation, although far from satisfactory, was infinitely better than where there was none, and the law was a dead letter. This leads to a consideration of the conditions in workshops conducted in homes. While all such are really within the scope of the Factory and Workshops Acts of the provinces, they are, as a matter of fact, but seldom reached effectually by the provisions of these statutes. The inspectors complain that it is often quite impossible for them to discover where such shops exist, and in a centre like Montreal, from which many of the shops in homes radiate for miles beyond the city limits, it is questionable if a knowledge of their existence and situation would aid materially in the work of inspection. The result is, that besides the injury to the home, to those immediately connected with it, which may be occasioned by the introduction of strangers and the presence of a workshop in its midst, a great injustice to the

wage-earners and a complete evasion of the law are inevitable. That such has been the case in home-shops, in which Government clothing has been manufactured, has already been pointed out. The working for long periods of time, both before and after the legal hours of labour, the disregard of the requirements as to age, and the lack of compliance with regulations as to health, may all be classed among the abuses in question. Other baneful influences arising either from the want of inspection, or from defects in its methods, will be noticed hereafter.

Where clothing has been let out to individuals to be made up in their homes, with the assistance only of the members of the household, there was absolutely no restriction as to the conditions under which the work of manufacture had to be carried on. This led, as we have seen, to a state of things which, in some cases, women were compelled to toil from early morn until the hours of midnight in order to procure a bare maintenance. To what degree children were thereby neglected, and the duties of the home sacrificed to the imperative demands of the needle or the machine, are questions, the answers to which might prove to be of great and far-reaching importance. The home is still the nursery of the nation

Finally, as has already been indicated, it is not the individual works alone who suffer from the lack of a proper system of supervision and inspection. The persons who use the manufactured goods, the particular consumers, so to speak, and the public at large, run a constant and serious risk of incurring sickness or contracting diseases through contagion communicated by the garments in question. This danger has never probably been fully realized, if indeed it has been seriously considered, by the great body of consumers. There is really nothing to prevent the worst possible consequences following the neglect of inspection of a commodity so precariously manufactured as that of clothing. In the making up of Government garments it appears that only that part of the clothing which was manufactured in shops other than those conducted in homes was, in any sense of

the term, subject to inspection. In all other cases where work was given out to people to be made up in their homes, there was absolutely no guarantee against the spread of infection other than the willingness of the home workers to disclose it. That such cannot be relied on is evident from a well-authenticated instance which came directly to my knowledge. A sub-contractor who was making civilian coats for a large wholesale firm in a shop conducted in his home, told me that he had continued making these coats while his children were lying ill in the house with diphtheria, and that he had purposely concealed the fact of their illness from the authorities, because it was at a time when he most needed his money. This is but a single instance of the manner in which individual workers as well as the public at large—because in this case the working hands lived outside and came daily to the shop—are exposed to continuous risk, in the absence of a proper system of inspection. Further inquiry would doubtless have disclosed other instances of the same sort. Of the homes which I visited, some were scrupulously clean, others were in a very filthy condition. Frequently the rooms in which the clothes were being made up was that utilized as kitchen and dressing-room combined. In some cases the cut cloth or finished garments were stored in the sleeping apartments of the family, although, of course, other rooms were occasionally used for the same purpose. In these home-shops, the members of the family appeared to frequent the working-room at will or were employed in it all the time that the work was being carried on.

It must be apparent, therefore, that while, in its contracts for the manufacture of clothing in past years, the Government has protected the nation by providing for the equipment of those enlisted in its service, it has also, owing to the neglect of inspection in most cases, and to the partial or ineffective inspection in others, permitted the existence of abuses detrimental to those employed in the manufacture, and has, at the same time, exposed individuals and the public alike to possible dangers of a much graver character.

VI.—A SUMMARY.

The conclusions of the investigation may be briefly summarized as follows :—

1. Practically all of the clothing manufactured for the Government of Canada, under the contract system of the past ten years, has been manufactured, for the most part, on premises other than those of the Government contractors, and according to one of the three modes of sub-contracting already described. As a result of this the Government contractors have had no immediate supervision of the contract work, and have, in fact, only assumed a partial responsibility for the methods and condition under which it was performed. In other words, the contractors, while reaping the benefits of the contract in question, have failed to discharge adequately the duties and responsibilities which may not unfairly be regarded as appertaining to the proper carrying out of their obligations.

2. Most of the work on Government clothing has really been executed by women and girls. Where these have been employed in shops their wages have been, on the whole, exceedingly low ; and where the work was performed in homes the prices paid were often such as to necessitate long hours of labour for a very meagre return. In the case of those employed by sub-contractors the general rule has been to require a maximum amount of work for a minimum amount of pay. Exceptionally long hours and other objectionable features have marked the course of employment of the workers in the homes and of not a few in the shops.

3. The introduction of a sub-contractor, who resorts to hired help, has involved the necessity of realizing a double profit out of the work of the hands and, as a consequence of this and the competition of sub-contractors, the wages of the large majority of those engaged on Government work have suffered a consider-

able depression. The wages received will not bear comparison other than unfavourable with those paid as a fair return for labour in other trades or occupations.

4. The conditions under which much of the Government work has been executed have been such as to prove injurious to the health and well-being of those engaged in it. There has been no proper or adequate inspection of the methods or the work itself, and, as a consequence, individuals and the public alike have been exposed to continuous risk from the spread of contagion as well as to harm in other ways.

I need scarcely add that the existence of such conditions, apart from any other attendant evils of the sweating system, constitute emphatically, in the words of your communication, 'sufficient grounds for Government interference in order that future contracts may be performed in a manner free from all such objectionable features.' The step in this direction which has already been taken by your Department cannot fail to bring about a much-needed reform, and be productive of great and lasting good to the industrial classes of this country.

I have the honour to be

Your obedient servant,

W. L. MACKENZIE KING.

TORONTO, January 5, 1898.

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